

This Policy is issued by the stock insurance company identified in the Declarations (hereinafter *the Insurer*).

THIS POLICY PROVIDES LIABILITY COVERAGE ON A CLAIMS-MADE AND REPORTED BASIS, WHICH COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD AND REPORTED TO THE INSURER, IN WRITING, DURING THE POLICY PERIOD OR WITHIN THIRTY DAYS THEREAFTER, UNLESS AN EXTENDED REPORTING PERIOD APPLIES. THIS POLICY ALSO PROVIDES FIRST-PARTY COVERAGES ON A DISCOVERED AND REPORTED BASIS, WHICH COVERS ONLY POLLUTION CONDITIONS AND INDOOR ENVIRONMENTAL CONDITIONS, AS APPLICABLE, FIRST DISCOVERED DURING THE POLICY PERIOD AND FOR WHICH A FIRST-PARTY CLAIM IS REPORTED TO THE INSURER, IN WRITING, DURING THE POLICY PERIOD OR WITHIN THIRTY DAYS THEREAFTER. FINALLY, THIS POLICY PROVIDES COVERAGE FOR EMERGENCY RESPONSE COSTS THAT IS LIMITED BY MORE SPECIFIC REPORTING CRITERIA AND COVERS ONLY EMERGENCY RESPONSE COSTS INCURRED, AND REPORTED TO THE INSURER, IN WRITING, WITHIN THE SPECIFIC TIMING REQUIREMENTS IDENTIFIED IN THIS POLICY. PLEASE READ THIS POLICY CAREFULLY. SOME OF THE PROVISIONS CONTAINED IN THIS POLICY RESTRICT COVERAGE, SPECIFY WHAT IS AND IS NOT COVERED AND DESIGNATE YOUR RIGHTS AND DUTIES. LEGAL DEFENSE EXPENSES ARE SUBJECT TO AND SHALL ERODE THE LIMITS OF LIABILITY AND ANY APPLICABLE SELF-INSURED RETENTION.

Throughout this Policy the words the Insurer shall refer to the company providing this insurance. Other words and phrases that appear in quotation marks have special meanings and are defined in Section V., DEFINITIONS.

In consideration of the payment of the premium and in reliance upon all statements made in the Application to this Policy, including the information furnished in connection therewith, and subject to all terms, definitions, conditions, exclusions and limitations of this Policy, the Insurer agrees to provide insurance coverage to the “insured” as described herein.

I. INSURING AGREEMENTS

Solely to the extent that the coverages below are identified on the Declarations to this Policy as being underwritten by the Insurer, the Insurer agrees to pay on behalf of the “insured” for “loss”, in excess of the “self-insured retention” or deductible period (as applicable), resulting from:

A. POLLUTION CONDITIONS OR INDOOR ENVIRONMENTAL CONDITIONS COVERAGE (Coverage A.)

“Claims” and “first-party claims” arising out of: 1) a “pollution condition” on, at, under or migrating from a “covered location”; or 2) an “indoor environmental condition” at a “covered location”, provided the “claim” is first made, or the “insured” first discovers such “pollution condition” or “indoor environmental condition”, during the “policy period”. Any such “claim” or “first-party claim” must be reported to the Insurer, in writing, during the “policy period” or within thirty (30) days after the expiration of the “policy period”, or during any applicable “extended reporting period”.

The coverage afforded pursuant to this Coverage **A.** only applies to “pollution conditions” or “indoor environmental conditions” that first commence, in their entirety, on or after the retroactive date identified in Item **5.** of the Declarations, if applicable, and prior to the expiration of the “policy period”.

B. TRANSPORTATION COVERAGE (Coverage B.)

“Claims” and “first-party claims” arising out of a “pollution condition” resulting from “transportation”, provided the “claim” is first made, or the “insured” first discovers such “pollution condition”, during the “policy period”. Any such “claim” or “first-party claim” must be reported to the Insurer, in writing, during the “policy period” or within thirty (30) days after the expiration of the “policy period”, or during any applicable “extended reporting period”.

The coverage afforded pursuant to this Coverage **B.** only applies to “pollution conditions” that first commence, in their entirety, on or after the retroactive date identified in Item **5.** of the Declarations, if applicable, and prior to the expiration of the “policy period”.

C. NON-OWNED DISPOSAL SITE COVERAGE (Coverage C.)

“Claims” arising out of a “pollution condition” on, at, under or migrating from a “non-owned disposal site”, provided the “claim” is first made during the “policy period”. Any such “claim” must be reported to the Insurer,

in writing, during the “policy period” or within thirty (30) days after the expiration of the “policy period”, or during any applicable “extended reporting period”.

The coverage afforded pursuant to this Coverage **C.** only applies to “pollution conditions” that are attributable to a “named insured’s” waste generated at a “covered location” and received at the “non-owned disposal site”, in its entirety, on or after the retroactive date identified in Item **5.** of the Declarations, if applicable, and prior to the expiration of the “policy period”.

II. LIMITS OF LIABILITY AND SELF-INSURED RETENTION

- A.** It is expressly agreed that the Insurer’s obligation to pay for any covered “loss” (exclusive of “business interruption loss”) pursuant to this Policy shall attach to the Insurer only after the “first named insured” has paid, or has provided evidence to the Insurer that another “named insured” has paid, the full amount of the “self-insured retention” with respect to any covered “pollution condition” or “indoor environmental condition”. Under no circumstances, including, but not limited to, an “insured’s” insolvency and/or bankruptcy, shall the Insurer be liable to pay any amount within the “self-insured retention”. In the event that the “first named insured” cannot provide satisfactory evidence that a “named insured” has paid the full amount of the “self-insured retention” with respect to any covered “pollution condition” or “indoor environmental condition”, the “first named insured” shall remain responsible to pay the “self-insured retention” before the Insurer’s payment obligation pursuant to this Policy shall attach with respect to coverage sought by any “insured”.

Notwithstanding the foregoing, if the “insured” agrees with the Insurer to use “mediation” to successfully resolve any “claim” for which “legal defense expenses” have been incurred, then the “self-insured retention” applicable to the “pollution condition” or “indoor environmental condition” that corresponds to such “claim” shall be reduced by fifty percent (50%), subject to a maximum reduction in the “self-insured retention” of twenty-five thousand dollars (\$25,000).

In addition to the foregoing, it is expressly agreed that the Insurer’s obligation to pay for any covered “business interruption loss” pursuant to this Policy shall attach to the Insurer only after the relevant “insured” has also borne the full amount of the “business interruption loss” within the deductible period identified in Item **4.** of the Declarations to this Policy.

- B.** One “self-insured retention” shall apply to all “loss” (exclusive of “business interruption loss”) arising out of the same, continuous, repeated, or related “pollution condition” or “indoor environmental condition”. If the same, continuous, repeated, or related “pollution condition” or “indoor environmental condition” triggers coverage pursuant to multiple coverage parts, or otherwise involves multiple exposures that have been assigned exposure-specific “self-insured retention” amounts by endorsement to this Policy, the single largest of the associated “self-insured retention” amounts identified in: **1)** Item **4.** of the Declarations; **2)** any Supplemental Coverage added by endorsement to this Policy; or **3)** any exposure-specific “self-insured retention” endorsement identified as part of this Policy, shall apply to all “loss” and other covered exposures arising out of such “pollution condition” or “indoor environmental condition”, except for any “catastrophe management costs” that are assigned an exposure-specific “self-insured retention” by endorsement to this Policy, if any (hereinafter Catastrophe Management-Specific SIR Obligation). Amounts within any such Catastrophe Management-Specific SIR Obligation shall be independent of, and shall not otherwise erode, the single largest “self-insured retention” applicable to all other covered exposures arising out of the same “pollution condition” or “indoor environmental condition” as contemplated herein.
- C.** One deductible period shall apply to all “business interruption loss” arising out of the same, continuous, repeated, or related “pollution condition” or “indoor environmental condition”.
- D.** Subject to Subsections **E.** and **F.**, below, the most the Insurer shall pay for all “loss” arising out of the same, continuous, repeated, or related “pollution condition” or “indoor environmental condition” is the Per Pollution Condition or Indoor Environmental Condition Limit of Liability identified in Item **3.a.** of the Declarations to this Policy.
- E.** Subject to Subsection **D.**, above, and Subsection **F.**, below, **\$250,000** shall be the maximum amount the Insurer shall pay for all “catastrophe management costs” arising out of all “pollution conditions” and “indoor environmental conditions”.
- F.** Subject to Subsections **D.** and **E.**, above, the Total Policy and Program Aggregate Limit of Liability identified in Item **3.b.** of the Declarations shall be the maximum liability of the Insurer pursuant to this Policy with respect to all “loss”.
- G.** If the Insurer or an affiliate has issued pollution liability coverage afforded on a discovered and reported basis or claims-made and reported basis consistent with coverage afforded pursuant to this Policy in one or more policy

periods, and a “pollution condition” or “indoor environmental condition” is first discovered and reported to the Insurer, or a “claim” is first made and reported to the Insurer with respect to a “pollution condition” or “indoor environmental condition”, in accordance with the terms and conditions of this Policy, then:

1. Any continuous, repeated, or related “pollution condition” or “indoor environmental condition” that is subsequently reported to the Insurer during later policy periods shall be deemed to be one “pollution condition” or “indoor environmental condition” discovered during this “policy period”; and
2. All “claims” arising out of:
 - a. The same, continuous, repeated, or related “pollution condition” or “indoor environmental condition” that was discovered during this “policy period”; or
 - b. The same, continuous, repeated, or related “pollution condition” or “indoor environmental condition” that was the subject of a “claim” first made and reported in accordance with the terms and conditions of this Policy,

shall be deemed to have been first made and reported during this “policy period” and no other policy shall respond.

III. DEFENSE AND SETTLEMENT

- A. The Insurer shall have the right and, subject to the “self-insured retention” obligation, the duty to defend the “insured” against a “claim” to which this insurance applies. The Insurer shall have no duty to defend the “insured” against any “claim” to which this insurance does not apply. The Insurer’s duty to defend the “insured” ends once the Limits of Liability are exhausted or are tendered into a court of applicable jurisdiction, or once the “insured” refuses a settlement offer as provided in Subsection E., below.
- B. The Insurer shall have the right to select legal counsel to: **1)** represent the “insured” for the investigation, adjustment, and defense of any “claims” covered pursuant to this Policy; and **2)** assist the “insured” with clarifying the extent of, and to help minimize, any “first-party remediation costs”. Selection of legal counsel by the Insurer shall not be done without the consent of the “insured”; such consent shall not be unreasonably withheld.

In the event the “insured” is entitled by law to select independent counsel to defend itself at the Insurer’s expense, the attorney fees and all other litigation expenses the Insurer shall pay to that counsel are limited to the rates the Insurer actually pays to counsel that the Insurer normally retains in the ordinary course of business when defending “claims” or lawsuits of similar complexity in the jurisdiction where the “claim” arose or is being defended. In addition, the “insured” and the Insurer agree that the Insurer may exercise the right to require that such counsel: **1)** have certain minimum qualifications with respect to their competency, including experience in defending “claims” similar to those being asserted against the “insured”; **2)** maintain suitable errors and omissions insurance coverage; **3)** be located within a reasonable proximity to the jurisdiction of the “claim”; and **4)** agree in writing to respond in a timely manner to the Insurer’s requests for information regarding the “claim”. The “insured” may at any time, by its signed consent, freely and fully waive its right to select independent counsel.

- C. The “insured” shall have the right and the duty to retain a qualified environmental consultant or “catastrophe management firm” to: **1)** perform any investigation and/or remediation of any “pollution condition” or “indoor environmental condition” covered pursuant to this Policy; or **2)** perform “catastrophe management services” covered pursuant to this Policy, respectively. The “insured” must receive the consent of the Insurer prior to the selection and retention of such consultant or “catastrophe management firm”, except in the event of a “first-party claim” that results in “emergency response costs”.
- D. “Legal defense expenses” reduce the Limits of Liability identified in the Declarations to this Policy, and, unless specifically stated otherwise herein, any applicable Limits or Sublimits of Liability identified in any endorsement hereto. “Legal defense expenses” shall also be applied to the “self-insured retention”.
- E. The Insurer shall present all settlement offers to the “insured”. If the Insurer recommends a settlement which is acceptable to a claimant, exceeds any applicable “self-insured retention”, is within the Limits of Liability, and does not impose any additional unreasonable burdens on the “insured”, and the “insured” refuses to consent to such settlement offer, then the Insurer’s duty to defend shall end. Thereafter, the “insured” shall defend such “claim” independently and at the “insured’s” own expense. The Insurer’s liability shall not exceed the amount for which the “claim” could have been settled if the Insurer’s recommendation had been accepted, exclusive of the “self-insured retention”.

IV. COVERAGE TERRITORY

The coverage afforded pursuant to this Policy shall only apply to “pollution conditions” or “indoor environmental conditions” located, and “claims” made, within the United States of America.

V. DEFINITIONS

- A. “Additional insured”** means any person or entity specifically endorsed onto this Policy as an “additional insured”, if any. Such “additional insured” shall maintain only those rights that are specified by endorsement to this Policy.
- B. “Adverse media coverage”** means national or regional news exposure in television, radio, print or internet media that is reasonably likely to have a negative impact on the “insured” with respect to its income, reputation, community relations, public confidence or good will.
- C. “Bodily injury”** means physical injury, illness, disease, mental anguish, emotional distress, or shock, sustained by any person, including death resulting therefrom, and any prospective medical monitoring costs that are intended to confirm any such physical injury, illness or disease.
- D. “Business income”** means:
1. Net profit or loss, before income taxes, including “rental income” from tenants, that would have been realized had there been no “business interruption”;
 2. The “insured’s” continuing operating and payroll expense (excluding payroll expense of officers, executives, department managers and contract employees);
 3. Costs incurred by the “insured” as rent for temporary premises when a portion of a “covered location” becomes untenable due to a “pollution condition” or “indoor environmental condition” and temporary premises are required to continue the “insured’s” operations. Such rental costs cannot exceed the fair rental value of the untenable portion of the “covered location” immediately preceding the “pollution condition” or “indoor environmental condition”.
- E. “Business interruption”** means the necessary partial or complete suspension of the “insured’s” operations at a “covered location” for a period of time, which is directly attributable to a “pollution condition” or “indoor environmental condition” to which Coverage **A.** of this Policy applies. Such period of time shall extend from the date that the operations are necessarily suspended and end when such “pollution condition” or “indoor environmental condition” has been remediated to the point at which the “insured’s” normal operations could reasonably be restored.
- F. “Business interruption loss”** means:
1. “Business income”;
 2. “Extra expense”; and
 3. “Delay expense”.
- G. “Catastrophe management costs”** means reasonable and necessary expenses approved by the Insurer, in writing, except for those expenses incurred during the same seven (7) day period associated with “emergency response costs”, which have been incurred by the “insured” for the following:
1. Responsive consulting services rendered by a “catastrophe management firm”;
 2. Printing, advertising, mailing of materials of public relations materials;
 3. Travel by directors, officers, employees or agents of the “insured”, or the “catastrophe management firm”, incurred at the direction of a “catastrophe management firm”;
 4. To secure the scene of a “pollution condition” or “indoor environmental condition”; or
 5. Sums advanced to third-parties directly harmed by the “pollution condition” or “indoor environmental condition” for their medical costs; funeral costs; psychological counseling; travel expenses costs; temporary living costs or other necessary response costs,
- but solely in those instances when, in the good faith opinion of a “key executive”, the associated “pollution condition” or “indoor environmental condition” has resulted in or is reasonably likely to result in: **a)** “loss” (exclusive of “catastrophe management costs”) that will exceed the applicable “self-insured retention”; and **b)** a need for “catastrophe management services” due to “adverse media coverage”.
- “Catastrophe management costs” do not include any “legal defense expense”.
- H. “Catastrophe management firm”** means any firm that is approved, in writing, except for firms retained for the same seven (7) day period associated with “emergency response costs”, by the Insurer to perform “catastrophe management services” in connection with a “pollution condition” or “indoor environmental condition”.

- I. “Catastrophe management services”** means advising the “insured” with respect to minimizing potential harm to the “insured” from a covered “pollution condition” or “indoor environmental condition” by managing “adverse media coverage” and maintaining and restoring public confidence in the “insured”, and its services or products.
- J. “Claim”** means the written assertion of a legal right received by the “insured” from a third-party, or from another “insured” that is party to an “environmental indemnity obligation”, including, but not limited to, a “government action”, suits or other actions alleging responsibility or liability on the part of the “insured” for “bodily injury”, “property damage” or “remediation costs” arising out of “pollution conditions” or “indoor environmental conditions” to which this insurance applies.
- K. “Covered location”** means:
1. Any location specifically identified in Item **9.** of the Declarations to this Policy;
 2. Any location that is specifically identified on a Schedule of Covered Locations attached to this Policy; and
 3. Any location that meets the prerequisites to coverage identified in the Automatic Acquisition and Due Diligence Endorsement attached to this Policy, if any.
- L. “Delay expense”** means, for a “covered location” under development where a “pollution condition” or “indoor environmental condition” causes a delay in the completion or development during the “business interruption”, any of the following expenses:
1. Additional interest on money the “insured” has borrowed to finance the construction, development, or remediation of a project at a “covered location”;
 2. Additional realty taxes and other assessments;
 3. Additional advertising or promotional expense;
 4. Additional expenses incurred resulting from the renegotiation of leases, including associated usual and customary legal representation expense; and
 5. Additional engineering, architectural, and consulting fees.
- M. “Emergency response costs”** means “first-party remediation costs” incurred within seven (7) days following the discovery of a “pollution condition” or “indoor environmental condition” by a “responsible person” in order to abate or respond to an imminent and substantial threat to human health or the environment arising out of:
1. A “pollution condition” or “indoor environmental condition” on, at, under or migrating from a “covered location”; or
 2. A “pollution condition” resulting from “transportation”,
- provided such “emergency response costs” are reported to the Insurer within fourteen (14) days of when that “responsible person” first became aware of such “pollution condition” or “indoor environmental condition”.
- N. “Environmental indemnity obligations”** means an "insured's" obligations to defend or indemnify a third-party with respect to a “pollution condition” or “indoor environmental condition” to which this insurance otherwise applies, provided that such defense or indemnity obligation is explicitly included within a contract identified or described on the Schedule of Insured Contracts Endorsement attached to this Policy, if any.
- O. “Environmental law”** means any Federal, state, commonwealth, municipal or other local law, statute, ordinance, rule, guidance document, regulation, and all amendments thereto (collectively Laws), including voluntary cleanup or risk-based corrective action guidance, or the direction of an “environmental professional” acting pursuant to the authority provided by any such Laws, along with any governmental, judicial or administrative order or directive, governing the liability or responsibilities of the “insured” with respect to a “pollution condition” or “indoor environmental condition”.
- P. “Environmental professional”** means a licensed professional that is:
1. Mutually agreed upon by the Insurer and the “insured”, except with respect to “emergency response costs”; and
 2. Qualified by licensure, knowledge, skill, education and training to perform an assessment, prepare an investigation protocol, interpret the results and prepare a scope of work to remediate a “pollution condition” or “indoor environmental condition”.

- Q. “Extended reporting period”** means the additional period of time in which to report a “claim” first made against the “insured” during or subsequent to the end of the “policy period”.
- R. “Extra damages”** means punitive, exemplary or multiplied damages, and civil fines, penalties and assessments, but solely to the extent that the punitive, exemplary or multiplied damages, and civil fines, penalties and assessments:
1. Are insurable under applicable law; and
 2. Arise out of a “pollution condition” or “indoor environmental condition” that results in “bodily injury”, “property damage”, “remediation costs” or “first-party remediation costs” to which this insurance otherwise applies.
- S. “Extra expense”** means costs incurred by the “insured” due to a “pollution condition” or “indoor environmental condition” that are necessary to avoid or mitigate any “business interruption”. Such costs must be incurred to actually minimize the amount of foregone “business income” that would otherwise be covered pursuant to this Policy.
- T. “First named insured”** means the person or entity as identified in Item 1. of the Declarations to this Policy. The “first named insured” is the party responsible for the payment of any premiums and the payment of, or evidencing payment of, any applicable “self-insured retention” amounts. The “first named insured” shall also serve as the sole agent on behalf of all “insureds” with respect to the provision and receipt of notices, including notice of cancellation or non-renewal, receipt and acceptance of any endorsements or any other changes to this Policy, return of any premium, assignment of any interest pursuant to this Policy, as well as the exercise of any applicable “extended reporting period”, unless any such responsibilities are otherwise designated by endorsement.
- U. “First-party claim”** means the first-party discovery of a “pollution condition” or an “indoor environmental condition” during the “policy period” by an “insured” to which this insurance applies.
- V. “First-party remediation costs”** means reasonable and necessary “remediation costs” incurred by an “insured” resulting from a “first-party claim”. If no applicable laws exist that govern the remediation, investigation, quantification, monitoring, removal, disposal, treatment, neutralization, or immobilization of such “pollution condition” or “indoor environmental condition” in the jurisdiction of the “covered location”, necessary “remediation costs” may be established by securing the written professional recommendations of an “environmental professional”.
- “First-party remediation costs”** also means reasonable and necessary expenses required to restore, repair or replace real or personal property to substantially the same condition it was in prior to being damaged during the course of responding to a “pollution condition” or “indoor environmental condition”. Such expenses shall not include costs associated with betterments or improvements, except to the extent that such betterments or improvements are exclusively associated with the use of building materials which are environmentally superior to those materials which comprised the original damaged property. Any such environmentally superior material must be: **a)** certified as such by an applicable independent certifying institution, where such certification is available; or **b)** in the absence of any such certification, based solely on the judgment of the Insurer and at its sole discretion.
- W. “Fungi”** means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents, or byproducts produced or released by “fungi”.
- X. “Government action”** means action taken or liability imposed by any Federal, state, commonwealth, municipal or other local government agency or body acting pursuant to the authority of “environmental law”.
- Y. “Illicit abandonment”** means:
1. Solely with respect to coverage for “covered locations”, the intentional placement or abandonment of any solid, liquid, gaseous or thermal irritant, contaminant, or pollutant, including contaminated soil, contaminated silt, contaminated sedimentation, smoke, soot, vapors, fumes, acids, alkalis, chemicals, hazardous substances, hazardous materials, or waste materials, including “low-level radioactive waste”, “mixed waste” and medical, red bag, infectious and pathological wastes, on, at or into a “covered location”, by a person or entity that:
 - a. Is not an “insured”; and
 - b. Is not affiliated by common ownership with an “insured”, and,

2. Solely with respect to coverage for “transportation”, the intentional placement or abandonment of any waste, goods, materials or product beyond the boundaries of a “covered location” during “transportation” by a person or entity that:
 - a. Is not an “insured”; and
 - b. Is not affiliated by common ownership with an “insured”.

“**Illicit abandonment**” does not mean any such placement or abandonment, above, which takes place, in whole or in part, prior to the inception date identified in Item 2. of the Declarations of this Policy.

Z. “Indoor environmental condition” means:

1. The presence of “fungi” in a building or structure, or the ambient air within such building or structure; or
2. The discharge, dispersal, release, escape, migration or seepage of *legionella pneumophila* in a building or structure, or the ambient air within such building or structure,

provided that such “fungi” or *legionella pneumophila* are not naturally occurring in the environment in the amounts and concentrations found within such building or structure.

AA. “Insured” means the “first named insured”, any “named insured”, any “additional insured”, and any past or present director or officer of, partner in, employee of, temporary or leased worker of, or, with respect to a limited liability company, a member of, any of the foregoing while acting within the scope of his or her duties as such.

BB. “Key executive” means the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, President, General Counsel, general partner or managing partner (if the “insured” is a partnership), managing member (if the “insured” is a limited liability company) or sole proprietor (if the “insured” is a sole proprietorship) of the “insured”. A “key executive” also means any other person holding a title designated by the “first named insured”, approved by the Insurer, and identified by endorsement to this Policy.

CC. “Legal defense expense” means reasonable legal costs, charges, and expenses, including expert charges, incurred by the “insured”:

1. In the investigation, adjustment or defense of “claims”; or,
2. Solely with respect to those instances where the “insured” has secured the prior consent of the Insurer, except in the event of a “first-party claim” that results in “emergency response costs”, in order to clarify the extent of, minimize, and effect resolution of, any obligation to incur “first-party remediation costs”.

DD. “Loss” means:

Coverage A.

1. A monetary judgment, award or settlement of compensatory damages arising from “bodily injury”, “property damage” or “remediation costs”, including associated “extra damages”;
2. “Legal defense expense”;
3. “First-party remediation costs”;
4. “Emergency response costs”;
5. “Business interruption loss”; and
6. “Catastrophe management costs”.

Coverage B.

7. A monetary judgment, award or settlement of compensatory damages arising from “bodily injury”, “property damage” or “remediation costs”, including associated “extra damages”;
8. “Legal defense expense”;
9. “First-party remediation costs”;
10. “Emergency response costs”; and
11. “Catastrophe management costs”.

Coverage C.

12. A monetary judgment, award or settlement of compensatory damages arising from “bodily injury”, “property damage” or “remediation costs”, including associated “extra damages” and “legal defense expense”; and

13. “Catastrophe management costs”.

Supplemental Coverages

Any other liability or first-party exposure insured pursuant to any Supplemental Coverage added by endorsement to this Policy.

EE. “Low-level radioactive waste” means waste that is radioactive but not classified as the following: high-level waste (spent nuclear fuel or the highly radioactive waste produced if spent fuel is reprocessed), uranium milling residues, and waste with greater than specified quantities of elements heavier than uranium.

FF. “Mediation” means a conciliatory, non-binding attempt to resolve a “claim” using a neutral, third-party facilitator.

GG. “Mixed waste” means waste containing both radioactive and hazardous components as defined pursuant to United States law within the Atomic Energy Act and the Resource Conservation and Recovery Act, as either may be amended.

HH. “Named insured” means the “first named insured” and any other person or entity specifically endorsed onto this Policy as a “named insured”, if any. “Named insureds” shall maintain the same rights pursuant to this Policy as the “first named insured”, except for those rights specifically: **1)** reserved to the “first named insured” as defined herein; or **2)** limited by endorsement to this Policy.

II. “Natural resource damage” means injury to, destruction of, or loss of, including the resulting loss of value of, fish, wildlife, biota, land, air, water, groundwater, drinking water supplies, and other such resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States of America (including the resources of the fishery conservation zone established by the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. § 1801 et. seq.)), any state, commonwealth or local government, or any Native American Tribe, or, if such resources are subject to a trust restriction on alienation, any members of any Native American Tribe, including the reasonable costs of assessing such injury, destruction or loss resulting therefrom.

JJ. “Non-owned disposal site” means:

- 1.** Any treatment, storage, transfer, disposal or recycling site or facility located within the United States of America that has not at any time been owned or operated, in whole or in part, by any “insured”, which receives, or has historically received, a “named insured’s” waste for disposal; provided that such treatment, storage, transfer, disposal or recycling site or facility:
 - a.** Was properly permitted and licensed pursuant to “environmental law” to accept the “named insured’s” waste at the time of such disposal by the Federal, state, commonwealth, municipal or other local government agencies or bodies with applicable jurisdiction;
 - b.** Was not owned or operated by any person, corporation or unincorporated association that was in bankruptcy at the time the “named insured’s” waste was received for disposal; and
 - c.** Has not, prior to the time the “named insured’s” waste was received for disposal, been identified on the United States EPA (CERCLA) National Priorities List or pursuant to any functional equivalent of that list made by Federal, state, commonwealth, municipal or other local government agency or body with applicable jurisdiction pursuant to “environmental law”, or
- 2.** Any treatment, storage, transfer, disposal or recycling site or facility specifically identified on a Schedule of Non-Owned Disposal Sites Endorsement attached to this Policy, if any.

KK. “Policy period” means:

- 1.** The period of time specifically identified in Item **2.** of the Declarations to this Policy; or,
- 2.** Solely with respect to “covered locations” added to this Policy during the period of time specifically identified in Item **2.** of the Declarations to the Policy, if any, the period of time following the effective date of such addition through the expiration date of the Policy identified in Item **2.** of the Declarations to this Policy; or
- 3.** Any shorter period of time resulting from the cancellation of this Policy.

LL. “Pollution condition” means:

- 1.** “Illicit abandonment”; or
- 2.** The discharge, dispersal, release, escape, migration, or seepage of any solid, liquid, gaseous or thermal irritant, contaminant, or pollutant, including soil, silt, sedimentation, smoke, soot, vapors, fumes, acids, alkalis, chemicals, electromagnetic fields (EMFs), hazardous substances, hazardous materials, waste

materials, “low-level radioactive waste”, “mixed waste” and medical, red bag, infectious or pathological wastes, on, in, into, or upon land and structures thereupon, the atmosphere, surface water, or groundwater.

MM. “Property damage” means:

1. Physical injury to, or destruction of, tangible property of a third-party, including all resulting loss of use of that property;
2. Loss of use of tangible property of a third-party, that is not physically injured or destroyed;
3. Diminished value of tangible property owned by a third-party; or
4. “Natural resource damages”.

“Property damage” does not mean “remediation costs”.

NN. “Remediation costs” means expenses incurred to investigate, quantify, monitor, remove, dispose, treat, neutralize, or immobilize “pollution conditions” or “indoor environmental conditions” to the extent required by “environmental law” in the jurisdiction of such “pollution conditions” or “indoor environmental conditions”.

OO. “Rental income” means the actual rental fees lost as a result of a “suspension” of a rented “covered location”.

PP. “Responsible person” means any employee of an “insured” responsible for environmental affairs, control, or compliance at a “covered location”, or any “key executive” of, officer or director of, or partner in, an “insured”.

QQ. “Self-insured retention” means the largest applicable dollar amount among triggered coverage parts identified in Item 4. of the Declarations to this Policy, or as otherwise designated by endorsement to this Policy, if any.

RR. “Suspension” means that part of, or all of, a rented “covered location” is rendered untenable for the purposes identified to the Insurer prior to the inception date of this Policy due to a “pollution condition” or “indoor environmental condition”.

SS. “Terrorism” means activities against persons, organizations or property of any nature:

1. That involve the following or preparation for the following:
 - a. Use or threat of force or violence; or
 - b. Commission or threat of a dangerous act; or
 - c. Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
2. When one or both of the following applies:
 - a. The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - b. It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

TT. “Transportation” means the movement of an “insured’s” waste, materials, goods or products to or from a “covered location” by automobile, aircraft, watercraft, railcar or other conveyance, including any associated loading or unloading thereof, by an “insured”, or any third-party vendor engaged by an “insured” in the business of transporting property for hire, provided that any such movement, and associated loading and unloading activities, are performed beyond the boundaries of a “covered location”.

UU. “Underground storage tank” means any tank and associated piping and appurtenances connected thereto which tank has more than ten percent (10%) of its volume below ground.

“Underground storage tank” does not mean:

1. Any flow-through process tank, including, but not limited to, a septic tank, oil/water separator, sump, or any stormwater or wastewater collection/treatment vessel or system; or
2. Any tank that is located below ground, provided that such tank is located on or above the floor of a basement of a building or on or above the floor of any shaft or tunnel.

VV. “War” means war, whether or not declared, civil war, martial law, insurrection, revolution, invasion, bombardment or any use of military force, usurped power or confiscation, nationalization or damage of property by any government, military or other authority.

VI. EXCLUSIONS

This insurance shall not apply to:

A. Asbestos

“Loss” arising out of or related to asbestos or asbestos-containing materials.

This exclusion shall not apply to:

1. Monetary judgments, awards or settlements of compensatory damages resulting from “bodily injury” or “property damage”, or any associated “extra damages” or “legal defense expenses”;
2. Monetary judgments, awards or settlements of compensatory damages resulting from “remediation costs”, or any associated “extra damages” or “legal defense expense”, arising out of asbestos or asbestos-containing materials discovered in soil or groundwater; and
3. “First-party remediation costs”, “emergency response costs”, “catastrophe management costs” or “business interruption loss”, or any associated “legal defense expense”, resulting from “first-party claims” arising out of asbestos or asbestos-containing materials discovered in soil or groundwater.

B. Contractual Liability

“Loss” arising out of or related to liability of others assumed by any “insured” through contract or agreement, except if the liability would have attached to the “insured” in the absence of such contract or agreement.

This exclusion shall not apply to “environmental indemnity obligations”.

C. Criminal Fines and Criminal Penalties

“Loss” arising out of or related to criminal fines, criminal penalties or criminal assessments.

D. Divested Property

“Loss” arising out of or related to a “pollution condition” on, at, under or migrating from, or “indoor environmental condition” at, any “covered location”:

1. That had been sold, abandoned, or given away by any “insured”, or was condemned (collectively hereinafter Divested), prior to the “policy period”; or
2. When such “pollution condition” or “indoor environmental condition” first commenced after the “covered location” had been Divested.

This exclusion shall not apply to any “pollution conditions” or “indoor environmental conditions” that first commenced, in whole or in part, prior to the effective date that any such “covered location” was Divested as identified on the Divested Properties Coverage Endorsement attached to this Policy, if any.

E. Employers Liability

“Claims” arising out of or related to “bodily injury” to:

1. Any “insured” or any employee of its parent corporation, subsidiary or affiliate:
 - a. Arising out of, or in the course of, employment by any “insured”, its parent corporation, subsidiary or affiliate; or
 - b. Performing duties related to the conduct of the business of any “insured”, its parent corporation, subsidiary or affiliate.
2. The spouse, child, parent, brother or sister of any “insured” or employee of its parent corporation, subsidiary or affiliate as a consequence of Paragraph 1., above.

This exclusion applies:

1. Whether any “insured” may be liable as an employer or in any other capacity; and
2. To any obligation to share damages with or repay someone else who must pay damages because of such “bodily injury”.

F. First-Party Property Damage

“Loss” arising out of or related to damage to real or personal property owned by, leased to, loaned to, or rented by any “insured”, or otherwise in the care, custody, or control of any “insured”.

This exclusion shall not apply to “first-party remediation costs”, “emergency response costs”, “business interruption loss” and “catastrophe management costs”.

G. Fraud or Misrepresentation

“Loss” arising out of or related to:

1. Fraudulent acts or material misrepresentations on the part of the “first named insured” made:
 - a. Within an Application to this Policy; or
 - b. During the Application or underwriting process prior to the inception date of this Policy, which would have affected the Insurer’s decision to either issue this Policy, or issue this Policy and its endorsements pursuant to the financial terms identified in the Declarations to this Policy; or
2. Fraudulent acts or material misrepresentations on the part of any “responsible person” during the “policy period”.

H. Insured’s Internal Expenses

“Loss” arising out of or related to expenses incurred by any “insured” for services performed by its salaried staff and any employees.

This exclusion shall not apply to:

1. “Emergency response costs”, along with any associated “catastrophe management costs” incurred during that same seven (7) day period; or
2. Any other costs, charges or expenses incurred with the prior approval of the Insurer at its sole discretion.

I. Insured vs. Insured

“Claims” made by any “insured” against any other “insured”.

This exclusion shall not apply to:

1. “Claims” initiated by third-parties, including cross claims, counterclaims or claims for contribution by such parties against any “insured”; or
2. “Claims” that arise out of an indemnification provided by one “insured” to another “insured” in an “environmental indemnity obligation”.

J. Intentional Non-Compliance

“Loss” arising out of or related to the intentional disregard of, or knowing, willful, or deliberate non-compliance with, any law, statute, regulation, administrative complaint, notice of violation, notice letter, instruction of any governmental agency or body, or any executive, judicial or administrative order, by, or at the direction of, any “responsible person”.

K. Known Conditions

“Loss” arising out of or related to “pollution conditions” or “indoor environmental conditions” in existence and reported to a “responsible person”:

1. Prior to the “policy period”; or,
2. Solely with respect to “covered locations” added to this Policy during the period of time specifically identified in Item 2. of the Declarations to the Policy, if any, prior to the effective date of coverage for such “covered location”,

and not affirmatively disclosed to the Insurer in an Application or supplemental underwriting materials provided to the Insurer to secure coverage for such “covered location” pursuant to this Policy.

L. Lead-Based Paint

“Loss” arising out of or related to lead-based paint.

This exclusion shall not apply to:

1. Monetary judgments, awards or settlements of compensatory damages resulting from “bodily injury” or “property damage”, or any associated “extra damages” or “legal defense expenses”;
2. Monetary judgments, awards or settlements of compensatory damages resulting from “remediation costs” , or any associated “extra damages” or “legal defense expenses”, arising out of lead-based paint discovered in soil or groundwater; and
3. “First-party remediation costs”, “emergency response costs”, “catastrophe management costs” or “business interruption loss”, or any associated “legal defense expense”, resulting from “first-party claims” arising out of lead-based paint discovered in soil or groundwater.

M. Material Change in Risk

“Loss” arising out of or related to a change in the use or operations at a “covered location” that materially increases the likelihood or severity of a “pollution condition”, “indoor environmental condition”, “claim” or “first-party claim” from the intended uses or operations identified:

1. By the “first named insured” for the Insurer in an Application or supplemental underwriting materials provided prior to the effective date of coverage for such “covered location”, if any; or
2. Solely with respect to “covered locations” added to the Policy pursuant to an Automatic Acquisition and Due Diligence Endorsement attached to this Policy, if any, as part of the due diligence materials and supplemental underwriting materials provided to the Insurer as part of the notice required pursuant to that endorsement, if any.

This exclusion shall only apply to the “covered location” associated with the change in use or operations and shall not limit coverage for other “covered locations” to which this insurance applies.

N. Non-Owned Disposal Sites

“Loss” arising out of or related to “pollution conditions” on, at, under or migrating from any treatment, storage, disposal, transfer or recycling site or facility that is not a “non-owned disposal site”.

O. Underground Storage Tanks

“Loss” arising out of or related to “pollution conditions” emanating from an “underground storage tank” located at a “covered location”, when the existence of such “underground storage tank” was known to a “responsible person”:

1. Prior to the “policy period”; or,
2. Solely with respect to “underground storage tanks” situated at “covered locations” added to this Policy during the “policy period”, prior to the effective date of coverage for such “covered location”.

This exclusion shall not apply to any “underground storage tank” that:

1. Is identified on the Schedule of Underground Storage Tanks Endorsement or Schedule of Covered Storage Tanks (Financial Responsibility) Endorsement attached to this Policy, if any; or
2. Has been removed or closed-in-place prior to the inception date of this Policy and such removal or closure was conducted in accordance with “environmental law”.

P. Vehicle Damage

“Claims” or associated “legal defense expense” for “property damage” to any automobile, aircraft, watercraft, railcar or other conveyance utilized for “transportation”.

Q. War or Terrorism

“Loss” arising out of or related to “pollution conditions” or “indoor environmental conditions” attributable, whether directly or indirectly, to any acts that involve, or that involve preparation for, “war” or “terrorism” regardless of any other cause or event that contributes concurrently or in any sequence to the injury or damage.

R. Workers’ Compensation

“Loss” arising out of or related to any obligation of any “insured” pursuant to the Jones Act or any workers’ compensation, unemployment compensation, or disability benefits law or related laws.

VII. REPORTING AND COOPERATION

- A. Without limiting the specific requirements contained in any Insuring Agreement or any other exposure-specific reporting requirements contained within this Policy, the “insured” shall also see to it that the Insurer receives notice of any “claim” or “first-party claim”, as soon as practicable, by one or more of the following:
1. Provide written notice to the address, fax number, or email address identified in Item **8.a.** of the Declarations to this Policy; or
 2. Provide verbal or electronic notice utilizing the **Environmental Incident Alert 24-hour Emergency Response and Incident Reporting System** by calling the telephone number identified in Item **8.** of the Declarations to this Policy or by using the associated telephone web application, respectively.

Such notice should include reasonably detailed information as to:

1. The identity of the “insured”, including contact information for an appropriate person to contact regarding the handling of the “claim” or “first-party claim”;
 2. The identity of the “covered location”;
 3. The nature of the “claim” or “first-party claim”; and
 4. Any steps undertaken by the “insured” to respond to the “claim” or “first-party claim”.
- B. The “insured” must:
1. As soon as practicable, send the Insurer copies of any demands, notices, summonses or legal papers received in connection with any “claim”;
 2. Authorize the Insurer to obtain records and other information;
 3. Cooperate with the Insurer in the investigation, settlement or defense of the “claim”;
 4. Assist the Insurer, upon the Insurer’s request, in the enforcement of any right against any person or organization which may be liable to the “insured” because of “loss” to which this Policy may apply; and
 5. Provide the Insurer with such information and cooperation as it may reasonably require.
- C. No “insured” shall make or authorize an admission of liability or attempt to settle or otherwise dispose of any “claim”, without the written consent of the Insurer. Nor shall any “insured” retain any consultants or “catastrophe management firms”, or incur any “first-party remediation costs” or “catastrophe management costs” with respect to a “first-party claim”, without the prior consent of the Insurer, except for “emergency response costs”.
- D. Upon the discovery of a “pollution condition” or “indoor environmental condition”, the “insured” shall make every attempt to mitigate any loss and comply with applicable “environmental law”. The Insurer shall have the right, but not the duty, to mitigate such “pollution conditions” or “indoor environmental condition” if, in the sole judgment of the Insurer, the “insured” fails to take reasonable steps to do so. In that event, any “remediation costs” or “catastrophe management costs” incurred by the Insurer shall be deemed incurred by the “insured”, and shall be subject to the “self-insured retention” and Limits of Liability identified in the Declarations to this Policy.

For the purposes of fulfilling the notice requirements contained in the Insuring Agreements to this Policy, notice supplied pursuant to one or more of the verbal or electronic notice mechanisms specifically contemplated in Subsection **A.**, above, or on the Declarations, shall constitute written notice to the Insurer.

VIII. EXTENDED REPORTING PERIOD

- A. Provided the “first named insured” has not purchased any other insurance to replace this Policy, the “first named insured” shall be entitled to a basic “extended reporting period”, and may purchase an optional supplemental “extended reporting period”, following Cancellation, as described in Subsection **A.**, Paragraph **1.** of Section **IX.**, **GENERAL CONDITIONS**, or nonrenewal of this Policy, in accordance with the terms and conditions described in Subsections **B.** through **D.**, below.
- B. “Extended reporting periods” shall not reinstate or increase any of the Limits of Liability. “Extended reporting periods” shall not extend the “policy period” or change the scope of coverage provided. A “claim” first made against an “insured” and reported to the Insurer within the basic “extended reporting period” or supplemental “extended reporting period”, whichever is applicable, shall be deemed to have been made and reported on the last day of the “policy period”. In addition, if an “insured” first discovers a “pollution condition” or “indoor environmental condition” during the “policy period” and reports such “first-party claim” to the Insurer within the basic “extended reporting period” or supplemental “extended reporting period”, whichever is applicable, then

such “first-party claim” shall also be deemed to have been first discovered and reported on the last day of the “policy period”.

- C. The “first named insured” shall have a ninety (90) day basic “extended reporting period” without additional charge.
- D. The “first named insured” shall also be entitled to purchase a supplemental “extended reporting period” of up to thirty-three (33) months for not more than two hundred percent (200%) of the full premium identified in Item 6. of the Declarations to this Policy, and any additional premiums resulting from coverage added during the “policy period”. Such supplemental “extended reporting period” starts when the basic “extended reporting period” ends. The Insurer shall issue an endorsement providing a supplemental “extended reporting period” provided that the “first named insured”:
 1. Makes a written request, to the address identified in Item 8.b. of the Declarations to this Policy, for such endorsement which the Insurer receives prior to the expiration of the “policy period”; and
 2. Pays the additional premium when due. If that additional premium is paid when due, the supplemental “extended reporting period” may not be cancelled, provided that all other terms and conditions of the Policy are met.

IX. GENERAL CONDITIONS

A. Cancellation

1. This Policy may be cancelled only by the “first named insured”, or through the “first named insured’s” agent, by mailing to the Insurer at the address identified in Item 8.b. of the Declarations to this Policy, written notice stating when such cancellation shall be effective.
2. This Policy may be cancelled by the Insurer for the following reasons:
 - a. Non-payment of premium; or
 - b. Fraud or material misrepresentation on the part of any “insured”,
by mailing to the “first named insured” at the “first named insured’s” last known address, written notice stating when, not less than sixty (60) days thereafter, fifteen (15) days if cancellation is for non-payment of any unpaid portion of the premium, such cancellation shall be effective. The mailing of notice shall be sufficient proof of notice. The effective date and hour of cancellation stated in the notice shall be the end of the “policy period”.
Subparagraph 2.b., herein, shall apply only to that “insured” that engages in the fraud or misrepresentation. This exception shall not apply to any “insured” that is a parent corporation, subsidiary, employer of, or otherwise affiliated by ownership with, such “insured”.
3. In the event of cancellation, the premium percentage identified in Item 6. of the Declarations to this Policy shall be the minimum-earned premium upon the inception date of this Policy. Thereafter, the remaining unearned premium, if any, shall be deemed earned by the Insurer on a *pro rata* basis over the remainder of the “policy period”. Any unearned premium amounts due the “first named insured” upon cancellation of this Policy shall be calculated on a *pro rata* basis and refunded within thirty (30) days of the effective date of cancellation.

B. Inspection and Audit

To the extent of the “insured’s” ability to provide such access, and with reasonable notice to the “insured”, the Insurer shall be permitted, but not obligated, to inspect and sample the “covered locations”. The “insured” shall have the concurrent right to collect split samples. Neither the Insurer’s right to make inspections, the making of said inspections, nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the “insured” or others, to determine or warrant that such property or operations are safe or in compliance with “environmental law”, or any other law.

The Insurer may examine and audit the “insured’s” books and records during this “policy period” and extensions thereof and within three (3) years after the final termination of this Policy.

C. Legal Action Against the Insurer

No person or organization other than an “insured” has a right pursuant to this Policy:

1. To join the Insurer as a party or otherwise bring the Insurer into a suit against any “insured”; or

2. To sue the Insurer in connection with this insurance unless all of the Policy terms have been fully complied with.

A person or organization may sue the Insurer to recover after an agreed settlement or on a final judgment against an “insured”. However, the Insurer shall not be liable for amounts that are not payable pursuant to the terms of this Policy or that are in excess of the applicable Limit of Liability. An agreed settlement means a settlement and release of liability signed by the Insurer, the “insured”, and the claimant or the claimant’s legal representative.

D. Bankruptcy

The insolvency or bankruptcy of any “insured”, or any “insured’s” estate, shall not relieve the Insurer of its obligations pursuant to this Policy. However, any such insolvency or bankruptcy of the “insured”, or the “insured’s” estate, shall not relieve the “insured” of its “self-insured retention” or deductible period obligations pursuant to this Policy. This insurance shall not replace any other insurance to which this Policy is excess, nor shall this Policy drop down to be primary, in the event of the insolvency or bankruptcy of any underlying insurer.

E. Subrogation

In the event of any payment pursuant to this Policy by the Insurer, the Insurer shall be subrogated to all of the rights of recovery against any person or organization, and the “insured” shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. All “insureds” shall do nothing to prejudice such rights. Any recovery as a result of subrogation proceedings arising pursuant to this Policy shall accrue first to the “insureds” to the extent of any payments in excess of the limit of coverage; then to the Insurer to the extent of its payment pursuant to the Policy; and then to the “insured” to the extent of the “self-insured retention”. Expenses incurred in such subrogation proceedings shall be apportioned among the interested parties in the recovery in the proportion that each interested party’s share in the recovery bears to the total recovery.

F. Representations

By accepting this Policy, the “first named insured” agrees that:

1. The statements in the Declarations, schedules and endorsements to, and Application for, this Policy are accurate and complete;
2. Those statements and representations constitute warranties that the “first named insured” made to the Insurer; and
3. This Policy has been issued in reliance upon the “first named insured’s” warranties.

G. Separation of Insureds

Except with respect to the Limits of Liability, Cancellation condition **2.a.**, and any applicable exclusions, this Policy applies:

1. As if each “named insured” were the only “insured”; and
2. Separately to each “named insured” against whom a “claim” is made,

and any fraud, misrepresentation, breach of a condition or violation of any duty (hereinafter Breach) by an “insured” shall not prejudice coverage for any “named insured” pursuant to this Policy, provided that: **1)** such “named insured” did not participate in, know of or assist in such Breach; and **2)** such “named insured” is not a parent, subsidiary, partner, member, director, officer of, employer of or otherwise affiliated with, the “insured” that committed such Breach.

H. Other Insurance

If other valid and collectible insurance is available to any “insured” covering “loss” also covered by this Policy, other than a policy that is specifically written to apply in excess of this Policy, the insurance afforded by this Policy shall apply in excess of and shall not contribute with such other insurance.

I. Changes and Assignment

Notice to or knowledge possessed by any person shall not effect waiver or change in any part of this Policy or estop the Insurer from asserting any right pursuant to the terms of this Policy. The terms, definitions, conditions, exclusions and limitations of this Policy shall not be waived or changed, and no assignment of any interest in this Policy shall bind the Insurer, except as provided by endorsement and attached to this Policy.

J. Headings

The descriptions in the headings and sub-headings of this Policy are inserted solely for convenience and do not constitute any part of the terms or conditions hereof.

K. Consent

Where the consent of the Insurer, or an “insured”, is required pursuant to this Policy, such consent shall not be unreasonably withheld, delayed, conditioned, or denied.

SCHEDULE OF NAMED INSUREDS ENDORSEMENT

Named Insured Colorado Special Districts Property & Liability Pool			Endorsement Number 001
Policy Symbol PPE	Policy Number G24888770 009	Policy Period 01/01/2018 to 01/01/2019	Effective Date of Endorsement 01/01/2018
Issued By (Name of Insurance Company) Illinois Union Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The "insured" and the Insurer hereby agree to the following changes to this Policy:

The persons or entities identified in the Schedule of Named Insureds, below, are "named insureds" pursuant to this Policy.

Schedule of Named Insureds

1. Per Members on file participating in this Pollution Policy

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

AGGREGATED SELF-INSURED RETENTION ENDORSEMENT

Named Insured Colorado Special Districts Property & Liability Pool			Endorsement Number 002
Policy Symbol PPE	Policy Number G24888770 009	Policy Period 01/01/2018 to 01/01/2019	Effective Date of Endorsement 01/01/2018
Issued By (Name of Insurance Company) Illinois Union Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

I. Item 4.a., **Self-Insured Retention**, of the Declarations is hereby deleted in its entirety and replaced with the following:

- i. \$ 100,000 Per Pollution Condition or Indoor Environmental Condition retention
- ii. \$ 400,000 Aggregate retention applicable to all Pollution Conditions or Indoor Environmental Conditions (as applicable)
- iii. \$ 50,000 Maintenance retention Per Pollution Condition or Indoor Environmental Condition, thereafter.

II. Section II., **LIMITS OF LIABILITY AND SELF-INSURED RETENTION**, Subsection B., of this Policy is hereby deleted in its entirety and replaced with the following:

B. One "self-insured retention" shall apply to all "loss" (exclusive of "business interruption loss") arising from the same, continuous, repeated, or related "pollution condition" or "indoor environmental condition". If the same, continuous, repeated, or related "pollution condition" or "indoor environmental condition" triggers coverage pursuant to multiple coverage parts, or otherwise involves multiple exposures that have been assigned exposure-specific "self-insured retention" amounts by endorsement to this Policy, the single largest of the associated "self-insured retention" amounts identified in: **1)** Item 4. of the Declarations; **2)** any Supplemental Coverage added by endorsement to this Policy; or **3)** any exposure-specific "self-insured retention" endorsement added to this Policy, shall apply to all "loss" and other covered exposures arising out of such "pollution condition" or "indoor environmental condition", except for any "catastrophe management costs" that are assigned an exposure-specific "self-insured retention" by endorsement to this Policy, if any (hereinafter Catastrophe Management-Specific SIR). Amounts within any such Catastrophe Management-Specific SIR shall be independent of, and shall not otherwise erode, the single largest "self-insured retention" applicable to all other covered exposures arising out of the same "pollution condition" or "indoor environmental condition" as contemplated herein, or any Maintenance "self-insured retention" discussed below. However, such amounts shall be credited against the Aggregate "self-insured retention" discussed below.

Upon exhaustion of the Aggregate "self-Insured retention" amount identified in Item 4.a.ii of the Declarations, by approved payments made pursuant to multiple "self-insured retentions" applicable to multiple "pollution conditions" or "indoor environmental conditions" to which this insurance applies, including payments for "catastrophe management costs" subject to a Catastrophe Management-Specific SIR, if any, all ongoing and future "loss" attributable to both outstanding and newly discovered "pollution conditions" or "indoor environmental conditions", if any, shall be subject to the reduced Maintenance "self-insured retention" amount identified in Item 4.a.iii. of the Declarations. With respect to any ongoing "loss" attributable to an outstanding "pollution condition" or "indoor environmental condition" that has been reported to the Insurer prior to exhaustion of the Aggregate "self-insured retention", if approved payments for "loss" in an

amount equal to or in excess of the Maintenance “self-insured retention”, then the “named insureds” shall have no further “self-insured retention” obligation with respect to that specific “pollution condition” or “indoor environmental condition”. Notwithstanding any other provision in this Policy to the contrary, under no circumstances shall the Insurer be liable to pay any amount pursuant to this Policy until the “named insureds” have paid the full amount of the “self-insured retention”, or, in the event of exhaustion, discussed above, the Maintenance “self-insured retention”, with respect to each “pollution condition” or “indoor environmental condition.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

BUSINESS INTERRUPTION COVERAGE LIMITATIONS ENDORSEMENT

Named Insured Colorado Special Districts Property & Liability Pool			Endorsement Number 003
Policy Symbol PPE	Policy Number G24888770 009	Policy Period 01/01/2018 to 01/01/2019	Effective Date of Endorsement 01/01/2018
Issued By (Name of Insurance Company) Illinois Union Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Solely to the extent that there is an **X** indicated in Sections **I.**, **II.**, and/or **III.** of this Endorsement, below, the “insured” and the Insurer hereby agree to the following changes to this Policy:

I. **Sublimits of Liability**

Per Pollution Condition or Indoor Environmental Condition Sublimit of Liability: \$ 250,000

Aggregate Pollution Conditions or Indoor Environmental Conditions Sublimit of Liability:
\$ 250,000

The amount that the Insurer shall pay pursuant to this Policy for “business interruption loss” arising out of or related to “pollution conditions” or “indoor environmental conditions” is subject to the Per Pollution Condition or Indoor Environmental Condition Sublimit of Liability and Aggregate Pollution Conditions or Indoor Environmental Conditions Sublimit of Liability identified above. Therefore, the Per Pollution Condition or Indoor Environmental Condition Sublimit of Liability, above, shall be the maximum amount the Insurer shall pay for all “business interruption loss” arising out of or related to the same, continuous, repeated, or related “pollution condition” or “indoor environmental condition” to which this insurance applies. Moreover, the Aggregate Pollution Conditions or Indoor Environmental Conditions Sublimit of Liability, above, shall be the maximum amount the Insurer shall pay for all “business interruption loss” arising out of or related to all “pollution conditions” or “indoor environmental conditions” to which this insurance applies. These Sublimits of Liability are subject to, and payments made within these Sublimits of Liability shall erode, the Limits of Liability identified in Item **3.** of the Declarations to this Policy, along with any other applicable exposure-specific Limits or Sublimits of Liability added by endorsement hereto. Under no circumstance shall the Insurer be liable to pay any amount in excess of any applicable Limit or Sublimit of Liability.

II. **Exclusion**

a. Section **V.**, **DEFINITIONS**, Subsection **DD.**, of this Policy is hereby modified by deletion of the phrase “business interruption loss”; and

b. Section **VI.**, **EXCLUSIONS**, of this Policy is hereby amended to include the addition of the following:

This insurance also shall not apply to “business interruption loss”.

III. **Location-Specific Endorsement Application**

Solely to the extent that there is an **X** indicated in this Section **III.**, above, the “insured” and the Insurer hereby agree that the modifications identified in Sections **I.** and/or **II.** of this Endorsement only apply to “pollution conditions” or “indoor environmental conditions” associated with the “covered locations” specifically identified in the Schedule of Covered Locations, below:

Schedule of Covered Locations

All other terms and conditions of the Policy remain unchanged.

Authorized Representative

DEDICATED DEFENSE AGGREGATE LIMIT ENDORSEMENT

Named Insured Colorado Special Districts Property & Liability Pool			Endorsement Number 004
Policy Symbol PPE	Policy Number G24888770 009	Policy Period 01/01/2018 to 01/01/2019	Effective Date of Endorsement 01/01/2018
Issued By (Name of Insurance Company) Illinois Union Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The "insured" and the Insurer hereby agree to the following changes to this Policy:

I. Dedicated Defense Aggregate Limit of Liability

\$ 1,000,000 shall be the Dedicated Defense Aggregate Limit of Liability applicable to "legal defense expense" covered pursuant to this Policy. Therefore, subject to the exhaustion and further indemnity limit erosion scenario contemplated in Sections **II.** and **III.** of this Endorsement, this Dedicated Defense Aggregate Limit of Liability shall be the maximum amount the Insurer shall pay for all "legal defense expense" arising out of "claims" to which this insurance applies.

II. Section **III., DEFENSE AND SETTLEMENT, Subsection **D.**, of this Policy is hereby deleted in its entirety and replaced with the following:**

D. "Legal defense expenses" reduce the Dedicated Defense Aggregate Limit of Liability identified in the Dedicated Defense Aggregate Limit Endorsement and, with respect to additional "legal defense expense" incurred following exhaustion thereof, if any, the Limits of Liability identified in Item **3.** of the Declarations of this Policy, along with any applicable Limits or Sublimits of Liability identified in any endorsement hereto. "Legal defense expense" shall also be applied to the "self-insured retention".

III. Section **III., DEFENSE AND SETTLEMENT, of this Policy is hereby amended by addition of the following:**

F. In the event that the Dedicated Defense Aggregate Limit of Liability identified in the Dedicated Defense Aggregate Limit Endorsement is exhausted, the Insurer shall retain the right and, subject to Subsections **A.** and **E.**, above, the duty to defend the insured" against all ongoing and future "claims" to which this insurance applies. Following such exhaustion event, any "legal defense expense" incurred by the Insurer shall reduce the Limits of Liability identified in Item **3.** of the Declarations to this Policy, along with any applicable Limits or Sublimits of Liability identified in any endorsement hereto.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

EXPOSURE-SPECIFIC SELF-INSURED RETENTION ENDORSEMENT

Named Insured Colorado Special Districts Property & Liability Pool			Endorsement Number 005
Policy Symbol PPE	Policy Number G24888770 009	Policy Period 01/01/2018 to 01/01/2019	Effective Date of Endorsement 01/01/2018
Issued By (Name of Insurance Company) Illinois Union Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The “insured” and the Insurer hereby agree to the following changes to this Policy:

Notwithstanding anything identified in Item 4. of the Declarations to this Policy that might be construed to the contrary, \$100,000 shall be the “self-insured retention” applicable to “pollution conditions” or “indoor environmental conditions” for which coverage is sought pursuant to this Policy for one or more of the “loss” exposures specifically identified below.

Identified Loss Exposures

- monetary awards, judgments or settlements of compensatory damages for “bodily injury”, including associated “extra damages” and “legal defense expense”
- monetary awards, judgments or settlements of compensatory damages for “property damage”, including associated “extra damages” and “legal defense expense”
- monetary awards, judgments or settlements of compensatory damages for “remediation costs”, including associated “extra damages” and “legal defense expense”
- “business interruption loss”
- “first-party remediation costs”, including associated “legal defense expense”
- “emergency response costs”, including associated “legal defense expense”
- “catastrophe management costs”
- “diminution in value”*
- “loss of rental income”*

**to the extent applicable due to such Supplemental Coverage being added to this Policy by endorsement hereto.*

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

NOTICE OF CANCELLATION AMENDATORY (GENERIC TIME FRAME) ENDORSEMENT

Named Insured Colorado Special Districts Property & Liability Pool			Endorsement Number 006
Policy Symbol PPE	Policy Number G24888770 009	Policy Period 01/01/2018 to 01/01/2019	Effective Date of Endorsement 01/01/2018
Issued By (Name of Insurance Company) Illinois Union Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The “insured” and the Insurer hereby agree to the following changes to this Policy:

Section **IX.**, **GENERAL CONDITIONS**, Subsection **A.**, **Cancellation**, Paragraph **2.**, of this Policy is hereby deleted in its entirety and replaced with the following:

2. This Policy may be cancelled by the Insurer for the following reasons:

- a.** Non-payment of premium; or
- b.** Fraud or material misrepresentation on the part of any “insured”,

by mailing to the “first named insured” at the “first named insured’s” last known address, written notice stating when, not less than one-hundred twenty (120) days thereafter, fifteen (15) days if cancellation is for non-payment of any unpaid portion of the premium, such cancellation shall be effective. The mailing of notice shall be sufficient proof of notice. The effective date and hour of cancellation stated in the notice shall be the end of the “policy period”.

Subparagraph **2.b.**, herein, shall apply only to that “insured” that engages in the fraud or misrepresentation. This exception shall not apply to any “insured” who is a parent corporation, subsidiary, employer of, or otherwise affiliated by ownership with, such “insured”.

All other terms and conditions of the Policy remain unchanged.

Authorized Representative

PUBLIC ENTITY COVERAGE AMENDATORY ENDORSEMENT

Named Insured Colorado Special Districts Property & Liability Pool			Endorsement Number 007
Policy Symbol PPE	Policy Number G24888770 009	Policy Period 01/01/2018 to 01/01/2019	Effective Date of Endorsement 01/01/2018
Issued By (Name of Insurance Company) Illinois Union Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The “insureds” and the Insurer hereby agree to the following changes to this Policy:

- I. Section I., INSURING AGREEMENTS**, of this Policy is hereby amended by addition of the following:

SUPPLEMENTAL COVERAGE - COVERED OPERATIONS

“Claims” and “first-party claims” arising out of a “pollution condition” or “indoor environmental condition” resulting from “covered operations”, provided the “claim” is first made, or the “insured” first discovers such “pollution condition” or “indoor environmental condition”, during the “policy period”. Any such “claim” or “first-party claim” must be reported to the Insurer, in writing, during the “policy period” or within thirty (30) days after the expiration of the “policy period”, or during any applicable “extended reporting period”.

The coverage afforded pursuant to this Supplemental Coverage shall only apply to “pollution conditions” or “indoor environmental conditions” that first commence, in their entirety, on or after the Retroactive Date identified below and prior to the expiration of the “policy period”.

Retroactive Date: 01/01/2010

- II. Solely with respect to the coverage afforded pursuant to the Supplemental Coverage in this Endorsement**, the following additional provisions apply:

Limits of Liability and Self-Insured Retention

Per Operations Condition Sublimit of Liability: \$ 1,000,000

Aggregate Operations Conditions Sublimit of Liability: \$ 5,000,000

The amount that the Insurer shall pay pursuant to this Policy for “loss” for coverage afforded pursuant to this Endorsement shall be subject to the Per Operations Condition Sublimit of Liability and Aggregate Operations Conditions Sublimit of Liability identified above. Therefore, the Per Operations Condition Sublimit of Liability, above, shall be the maximum amount the Insurer shall pay for all “loss” arising out of or related to the same, continuous, repeated, or related “pollution condition” or “indoor environmental condition” resulting from “covered operations” to which this insurance applies. Moreover, the Aggregate Operations Conditions Sublimit of Liability, above, shall be the maximum amount the Insurer shall pay for all “loss” arising out of or related to all “pollution conditions” and “indoor environmental conditions” resulting from “covered operations” to which this insurance applies. These Sublimits of Liability are subject to, and payments made within these Sublimits of Liability shall erode, the Limits of Liability identified in Item 3. of the Declarations to this Policy, along with any other applicable exposure-specific Limits or Sublimits of Liability added by endorsement hereto. Under no circumstance shall the Insurer be liable to pay any amount in excess of any applicable Limit or Sublimit of Liability.

Per Operations Condition Self-insured Retention: \$ 100,000

Notwithstanding anything identified in Item 4. of the Declarations to this Policy that might be construed to the contrary, the Per Operations Condition Self-Insured Retention, above, shall be the “self-insured retention” applicable to any coverage provided pursuant to this Policy for each “pollution condition” or “indoor environmental condition” resulting from “covered operations” to which this insurance applies.

III. Solely with respect to the coverage afforded pursuant to this Supplemental Coverage, Section V., **DEFINITIONS**, Subsections **M.** and **DD.**, of this Policy are hereby deleted in their entirety and replaced with the following:

M. “Emergency response costs” means “first-party remediation costs” incurred within seven (7) days following the discovery of a “pollution condition” or “indoor environmental condition” by a “responsible person” in order to abate or respond to an imminent and substantial threat to human health or the environment arising out of:

1. A “pollution condition” or “indoor environmental condition” on, at, under or migrating from a “covered location”;
2. A “pollution condition” or “indoor environmental condition” resulting from “covered operations”; or
3. A “pollution condition” resulting from “transportation”,

provided such “emergency response costs” are reported to the Insurer within fourteen (14) days of when that “responsible person” first became aware of such “pollution condition” or “indoor environmental condition”.

DD. “Loss” means:

1. A monetary judgment, award or settlement of compensatory damages arising from “bodily injury”, “property damage” or “remediation costs”, including associated “extra damages” and “legal defense expense”;
2. “Emergency response costs” and associated “legal defense expense”; and
3. “Catastrophe management costs”.

IV. Section V., **DEFINITIONS**, of this Policy is hereby amended by addition of the following:

“Covered operations” means any operations specifically identified in the Application and any supporting documentation provided to the Insurer by the “first named insured” prior to the inception date identified in Item 2. of the Declarations to this Policy, which are performed by or on behalf of a “named insured” outside of the physical boundaries of a “covered location”.

“Covered operations” does not mean “transportation”.

“Sewage Backup” means the reverse flow of sewage via subsurface sewer lines, to or from a “covered location”, into or onto locations that are not “covered locations”, including, but not limited to, third party residences, businesses, or any other structures on land or into any soil, groundwater, surface water or air associated with such third party residences, businesses, or any other structures.

V. Section V., **DEFINITIONS**, Subsections **AA.**, **PP.** and **TT.**, of this Policy are hereby deleted in their entirety and replaced with the following:

AA. “Insured” means the “first named insured”, any “named insured”, any “additional insured” and any of the following:

1. If any “named insured” pursuant to this Policy is a Public Entity, the following entities are additional “insureds”:

- a. A governmental agency or subdivision, department, municipal body, commission or board, or a not-for profit corporation which is owned or controlled by any “named insured”;
 - b. An individual while acting in the capacity as a director of, officer of, trustee of, employee of, temporary or leased worker of, or staff member of, any “named insured”;
 - c. A volunteer, but solely while acting within the scope of such duties and at the direction of any “named insured”;
 - d. A paramedic or emergency technician, but solely while acting within the course and scope of employment or while acting as a volunteer pursuant to the direction of any “named insured”;
 - e. An elective or appointive officer or a member of any such commission, board or agency of any “named insured” but solely while acting within the scope of duties as such; or
 - f. A joint venture or partnership, including a mutual assistance pact, joint powers agreement or similar association, but only with respect to the conduct of the business of any “named Insured” on behalf of that entity or association and only to the extent of such “named insured’s” participation or interest in that entity or association.
2. If the “named insured” is an Educational Entity, the following persons or entities are additional “insureds”, individually and collectively, when acting solely within the scope of their duties, office, or employment for, and pursuant to the supervision of, any “named insured”:
- a. Members of the School Board;
 - b. Officers;
 - c. Employees;
 - d. Temporary or Leased Workers;
 - e. Authorized individual volunteers; or
 - f. Student Body Organizations pursuant to the jurisdiction of the governing board, but only while pursuant to the supervision required by the governing board.

PP. “Responsible person” means any employee of an “insured” responsible for environmental affairs, control, or compliance at a “covered location”, or any “key executive” of, officer or director of, partner in, or elected official of, an “insured”.

TT. “Transportation” means:

- 1. The movement of an “insured’s” waste, materials, goods or products to or from a “covered location” by automobile, aircraft, watercraft, railcar or other conveyance, including any associated loading or unloading thereof, by an “insured”, or any third-party vendor engaged by an “insured” in the business of transporting property for hire, provided that any such movement, and associated loading and unloading activities, are performed beyond the boundaries of a “covered location”; and
- 2. Automobile livery services conducted by or on behalf of an “insured”.

VI. Solely with respect to the coverage afforded pursuant to the Supplemental Coverage in this Endorsement, Section VI., EXCLUSIONS, Subsection M., Material Change in Risk, of this Policy is hereby deleted in its entirety and replaced with the following:

N. Material Change in Risk

“Loss” arising out of or related to a change in “covered operations” that materially increases the likelihood or severity of a “pollution condition”, “indoor environmental condition”, “claim” or “first-party claim” from the operations identified by the “first named insured” for the Insurer an

Application or supplemental underwriting materials provided prior to the effective date of coverage for such “covered operations”, if any.

This exclusion shall only apply to the changed operations and shall not limit coverage for other “covered operations” to which this insurance applies.

VII. Section **VI., EXCLUSIONS**, of this Policy is hereby amended by addition of the following:

Failure to Follow Asbestos and/or Lead-Based Paint Management Plans

“Loss” arising out of or related to the presence of lead-based paint, asbestos or asbestos containing material and an “insured’s” failure to properly maintain or manage any building or structure situated on the “covered locations”, or any system, fixture or personal property contained therein, in conformance with the asbestos management plans and lead-based paint management plans provided to the Insurer prior to the inception date identified in Item **2.** of the Declarations to this Policy, or any asbestos management plans and lead-based paint management plans approved, in writing, by the Insurer during the “policy period”.

Failure to Follow Fungi and/or Legionella Management Plans

“Loss” arising out of or related to an “indoor environmental condition” and an “insured’s” failure to properly maintain or manage any building or structure situated on the “covered locations”, or any system, fixture or personal property contained therein, in conformance with the water intrusion plans, and “fungi” or *legionella pneumophila* management plans, provided to the Insurer prior to the inception date identified in Item **2.** of the Declarations to this Policy, or any water intrusion plans, and “fungi” or *legionella pneumophila* management plans, approved, in writing, by the Insurer during the “policy period”.

Landfills or Recycling Facilities

“Loss” arising out of or related to “pollution conditions” on, at or under any Landfills or Recycling Facilities that are now, or have been at any time been, leased, owned or operated by an “insured”.

This exclusion shall not apply to “claims” for “bodily injury” or “property damage” arising out of “pollution conditions” allegedly migrating from Landfills or Recycling Facilities that are specifically scheduled as “covered locations” pursuant to an endorsement attached to this Policy.

Professional Liability

“Loss” arising out of or related to the rendering of or failure to render professional services, including, but not limited to, recommendations, opinions, and strategies rendered for architectural, consulting, design and engineering work, such as drawings, designs, maps, reports, surveys, change orders, plan specifications, assessment work, remedy selection, site maintenance, equipment selection, and related construction management, supervisory, inspection or engineering services.

Regulatory Compliance

“Loss” arising out of or related to an “insured’s” failure to comply with applicable Federal, state, or local regulations governing compliance with respect to any a covered “underground storage tank”.

This exclusion shall not apply to any such non-compliance that occurs subsequent to release from a covered “underground storage tank”.

Sewage Backup

“Loss” arising out of or related to “pollution conditions” or “indoor environmental conditions” resulting from, in whole or in part, a “sewage backup”.

Work Product

“Loss” arising out of or related to work or operations performed by you or on your behalf, unless such work or operations are “covered operations”.

VIII. Section **VII., REPORTING AND COOPERATION**, Subsection **A.**, Paragraph **2.**, of this Policy is hereby deleted in its entirety and replaced with the following:

2. The identity of the “covered location” or a detailed description of the “covered operations”;

IX. Section **IX., GENERAL CONDITIONS**, Subsection **A., Cancellation**, Paragraph **2.**, of this Policy is hereby amended by addition of the following:

c. Material change in the “covered operations” from the description identified in the Application to this Policy and supporting materials, which results in an increased likelihood of “claims”, “first-party claims”, “pollution conditions” or “indoor environmental conditions”,

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

**SPECIFIC POLLUTION CONDITIONS OR INDOOR ENVIRONMENTAL
CONDITIONS EXCLUSIONARY ENDORSEMENT**

Named Insured Colorado Special Districts Property & Liability Pool			Endorsement Number 013
Policy Symbol PPE	Policy Number G24888770 009	Policy Period 01/01/2018 to 01/01/2019	Effective Date of Endorsement 01/01/2018
Issued By (Name of Insurance Company) Illinois Union Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Solely to the extent that there is an X indicated in Sections I. and/or II. of this Endorsement, below, the “insured” and the Insurer hereby agree to the following changes to this Policy:

I. Section VI., **EXCLUSIONS**, of this Policy is hereby amended by addition of the following:

Specific Pollution Conditions (Broad)

“Loss” arising out of or related to the “pollution conditions” or “indoor environmental conditions” specifically identified in the Schedule of Conditions on the Specific Pollution Conditions Or Indoor Environmental Conditions Exclusionary Endorsement attached to this Policy, regardless of whether those “pollution conditions” or “indoor environmental conditions” are otherwise affirmatively disclosed to the Insurer in an Application for coverage pursuant to this Policy.

II. Section VI., **EXCLUSIONS**, of this Policy is hereby amended by addition of the following:

Specific Pollution Conditions (Give-Back)

“Loss” arising out of or related to the “pollution conditions” or “indoor environmental conditions” specifically identified in the Schedule of Conditions on the Specific Pollution Conditions Or Indoor Environmental Conditions Exclusionary Endorsement attached to this Policy, regardless of whether those “pollution conditions” or “indoor environmental conditions” are otherwise affirmatively disclosed to the Insurer in an Application for coverage pursuant to this Policy.

This exclusion shall not apply to monetary judgments, awards or settlements of compensatory damages for “bodily injury” or “property damage”, including any associated “extra damages” or “legal defense expense”.

Schedule of Conditions

1. Perfluorinated compounds including, but not limited to perfluoroalkyl substances (PFASs), perflouroctanesulfonic acid (PFOS), perflouroctanoic acid (PFOA) including, but not limited to any PFAS, PFOS and PFOA-related products and chemicals.
2. Lead exclusion at all gun or shooting ranges.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

AUTOMATIC ACQUISITION (NEW CONDITIONS COVERAGE ONLY) ENDORSEMENT

Named Insured Colorado Special Districts Property & Liability Pool			Endorsement Number 014
Policy Symbol PPE	Policy Number G24888770 009	Policy Period 01/01/2018 to 01/01/2019	Effective Date of Endorsement 01/01/2018
Issued By (Name of Insurance Company) Illinois Union Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The “insured” and the Insurer hereby agree to the following changes to this Policy:

Section **IX., GENERAL CONDITIONS**, of this Policy is hereby amended by addition of the following:

Automatic Acquisition

1. It is understood and agreed that, for an additional premium amount, any property newly acquired or leased by a “named insured” during the “policy period” shall be added to the Policy as a “covered location” upon the closing date of such acquisition, or the effective date of such lease, respectively, provided that:
 - a. The Insurer receives written notice of the property acquisition or lease within **one-hundred twenty (120)** days of the closing date of such acquisition or the effective date of such lease, respectively; and
 - b. Coverage shall be afforded solely with respect to “pollution conditions” or “indoor environmental conditions” that first commence, in their entirety, on or after the closing date of the acquisition or the effective date of the lease, respectively.
2. Additional premium for “covered locations” added to this Policy pursuant to Paragraph **1.**, above, shall be calculated using the following rates:

Additional Premium Schedule

Acquired Property Type	Additional Premium
Non-owned (leased, operated, or managed) & small acquisitions LESS THAN OR EQUAL TO \$2,000,000 in Total Insured Values	\$0
Non-owned (leased, operated, or managed) & small acquisitions GREATER THAN \$2,000,000 in Total Insured Values	\$0.000034689 / \$TIV subject to a minimum premium of \$100

In the event a property of a type not described in the Additional Premium Schedule, above, is newly acquired or leased by a “named insured”, the terms and conditions of this Subsection shall not apply.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

CATASTROPHE MANAGEMENT AMENDATORY ENDORSEMENT

Named Insured Colorado Special Districts Property & Liability Pool			Endorsement Number 015
Policy Symbol PPE	Policy Number G24888770 009	Policy Period 01/01/2018 to 01/01/2019	Effective Date of Endorsement 01/01/2018
Issued By (Name of Insurance Company) Illinois Union Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The "insured" and the Insurer hereby agree to the following changes to this Policy:

Section **II., LIMITS OF LIABILITY AND SELF-INSURED RETENTION**, Subsection E. is deleted and replaced with the following:

E. Subject to Subsection **D.**, above, and Subsection **F.**, below, **\$500,000** shall be the maximum amount the Insurer shall pay for all "catastrophe management costs" arising out of all "pollution conditions" and "indoor environmental conditions".

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

**INDOOR ENVIRONMENTAL CONDITIONS (Fungi – Water Intrusion Event Exception)
LIMITATIONS ENDORSEMENT**

Named Insured Colorado Special Districts Property & Liability Pool			Endorsement Number 016
Policy Symbol PPE	Policy Number G24888770 009	Policy Period 01/01/2018 to 01/01/2019	Effective Date of Endorsement 01/01/2018
Issued By (Name of Insurance Company) Illinois Union Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The “insured” and the Insurer hereby agree to the following changes to this Policy:

I. Section VI., EXCLUSIONS, of this Policy is hereby amended by addition of the following:

Fungi

“Loss” arising out of or related to “fungi”.

This exclusion shall not apply to monetary judgments, awards or settlements of compensatory damages for “bodily injury” or “property damage”, including any associated “extra damages” or “legal defense expense”.

This exclusion shall not apply in the event that such “fungi” was the direct result of a “water intrusion event”.

II. Section V., DEFINITIONS of this Policy is hereby amended with the addition of the following:

“**Water intrusion event**” means:

1. Water intrusion into a building or structure that first commenced, in whole or in part, during the “policy period”; and
2. Is unintended and unexpected from the standpoint of the “insured”; and
3. Is first discovered by the “insured” within ten (10) days of commencement; and
4. Is reported to the Insurer within thirty (30) calendar days following the discovery of such “water intrusion event” by the “insured”; and
5. Is the result of a piping leak, including, but not limited to potable, sewer or sprinkler pipes (or sprinkler heads); or
6. Is the result of a named storm event as determined by the U.S. National Weather Service, the U.S. National Hurricane Center or the U.S. National Oceanic and Atmosphere Administration; or
7. Is the result of a “flood”

“**Flood**” means:

1. A general and temporary condition of partial or complete inundation of 2 or more acres of normally dry land area or of 2 or more properties (at least 1 of which is a “covered location”) from:
 - a. Overflow of inland or tidal waters; or
 - b. Unusual and rapid accumulation or runoff of surface waters from any source; or

c. Mudflow

III. Location-Specific Endorsement Application

Solely to the extent that there is an X indicated in the box next to Item III. above, the modifications identified in Sections I. and II. of this Endorsement only apply to “indoor environmental conditions” arising out of “fungi” at the “covered locations” specifically identified in the Schedule of Covered Locations, below:

Schedule of Covered Locations

1. Any hospitals, healthcare facilities, single-family residences or dwellings.
- 2.
- 3.
- 4.
- 5.

I. Building/Structure-Specific Endorsement Application

The modifications identified in Sections I. and II. of this Endorsement, above, only apply to “indoor environmental conditions” arising out of “fungi” at the buildings or structures specifically identified in the Schedule of Buildings/Structures, below:

Schedule of Buildings/Structures

1. _____
2. _____
3. _____

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

MAINTENANCE, UPGRADE, IMPROVEMENTS OR INSTALLATIONS EXCLUSIONARY ENDORSEMENT

Named Insured Colorado Special Districts Property & Liability Pool			Endorsement Number 017
Policy Symbol PPE	Policy Number G24888770 009	Policy Period 01/01/2018 to 01/01/2019	Effective Date of Endorsement 01/01/2018
Issued By (Name of Insurance Company) Illinois Union Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The "insured" and the Insurer hereby agree to the following changes to this Policy:

Section **VI., EXCLUSIONS**, of this Policy is hereby amended by addition of the following:

Maintenance, Upgrades, Improvements or Installations

"Loss" arising out of or related to costs, charges, or expenses for purchasing, installing, maintaining, upgrading, improving or operating of any pollution, treatment, environmental, discharge or emission control equipment or processes, including, but not limited to stormwater discharge controls, wellhead treatment, or water treatment on, at, under, or within the boundaries of a "covered location", regardless of whether such maintenance, upgrade, improvement or installation is required:

1. By "environmental law" or "government action"; or
2. As a result of a "claim" or "first-party claim" arising out of or related to a "pollution condition" or "indoor environmental condition".

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

SCHEDULE OF COVERED LOCATIONS ENDORSEMENT

Named Insured Colorado Special Districts Property & Liability Pool			Endorsement Number 018
Policy Symbol PPE	Policy Number G24888770 009	Policy Period 01/01/2018 to 01/01/2019	Effective Date of Endorsement 01/01/2018
Issued By (Name of Insurance Company) Illinois Union Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The “insured” and the Insurer hereby agree to the following changes to this Policy:

The locations identified in the Schedule of Covered Locations, below, are hereby added to this Policy as additional “covered locations”.

SCHEDULE OF COVERED LOCATIONS

<u>Location</u>	<u>Retroactive Date</u>
1. Per 2017 CSD Pool- Property & IM Schedules.xlsx tab titled Property Schedule.	Per SOV on File

If a “covered location”, above, is identified with a corresponding Retroactive Date, then:

1. That date shall supersede the general Retroactive Date identified for premises coverage afforded pursuant to Coverage **A.** within Item **5.** of the Declarations to this Policy for “pollution conditions” on, at under or migrating from, or “indoor environmental conditions” at, that specific “covered location”; and,
2. Solely to the extent that such Retroactive Date, above, is more recent than the general Retroactive Dates for transportation coverage or non-owned disposal sites coverage afforded pursuant to Coverage **B.** or Coverage **C.** within Item **5.** of the Declarations to this Policy, then that date shall also supersede any such general Retroactive Date(s) for “pollution conditions”: **a)** resulting from “transportation” to or from that specific “covered location”; or **2)** a “named insured’s” wastes generated at such “covered location”.

Also, if a “covered location”, above, is identified with the phrase “**FULL RETRO**”, then full retroactive coverage is afforded pursuant to this Policy for “pollution conditions” on, at under or migrating from, or “indoor environmental conditions” at, that specific “covered location”. Notwithstanding the foregoing, any retroactive coverage indicated herein is subject to any other exposure-specific Retroactive Date added to this Policy by endorsement.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

SUDDEN AND ACCIDENTAL COVERAGE LIMITATION ENDORSEMENT

Named Insured Colorado Special Districts Property & Liability Pool			Endorsement Number 019
Policy Symbol PPE	Policy Number G24888770 009	Policy Period 01/01/2018 to 01/01/2019	Effective Date of Endorsement 01/01/2018
Issued By (Name of Insurance Company) Illinois Union Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

The “insured” and the Insurer hereby agree to the following changes to this Policy:

I. Section V., DEFINITIONS, Subsections Z. and LL. , of this Policy are hereby deleted in their entirety and replaced by the following:

Z. “Indoor environmental condition” means:

1. The presence of “fungi” in a building or structure, or the ambient air within such building or structure; or
2. The discharge, dispersal, release, escape, migration or seepage of *legionella pneumophila* in a building or structure, or the ambient air within such building or structure,

provided that:

1. Such “fungi” or *legionella pneumophila* are not naturally occurring in the environment in the amounts and concentrations found within such building or structure; and
2. The presence of such “fungi” or the discharge, dispersal, release, escape, migration or seepage of such *legionella pneumophila*:
 - a. First commences, in its entirety, during the “policy period” or within six (6) calendar days preceding the “policy period”;
 - b. Does not arise out of or relate to any “indoor environmental conditions” which existed, in whole or in part, prior to **insert retro date which should be six days prior to inception**];
 - c. Is unintended and unexpected from the standpoint of the “insured”;
 - d. Is sudden, direct, and immediate;
 - e. Is first discovered by the “insured” within ten (10) calendar days of commencement and during the “policy period”; and
 - f. Is reported to the Insurer within thirty (30) calendar days following the discovery of such “indoor environmental conditions” by the “insured”.

It is a condition precedent to coverage pursuant to this Endorsement that the “insured” provide conclusive documentation of strict compliance with requirements a. through f., above, regardless of whether the Insurer was prejudiced by the failure to meet these requirements.

LL. “Pollution condition” means the discharge, dispersal, release, escape, migration, or seepage of any solid, liquid, gaseous or thermal irritant, contaminant, or pollutant, including soil, silt, sedimentation, smoke, soot, vapors, fumes, acids, alkalis, chemicals, electromagnetic fields (EMFs), hazardous substances, hazardous materials, waste materials, “low-level radioactive waste”, “mixed waste” and medical, red bag, infectious or pathological wastes, on, in, into, or upon land and structures thereupon, the atmosphere, surface water, or groundwater; provided that such “pollution conditions”:

1. First commence, in their entirety, during the “policy period” or within six (6) calendar days preceding the “policy period”;
2. Do not arise out of or relate to any “pollution conditions” which existed, in whole or in part, prior to **insert retro date which should be six days prior to inception**];
3. Are unintended and unexpected from the standpoint of the “insured”;
4. Are sudden, direct, and immediate;
5. Are first discovered by the “insured” within ten (10) calendar days of commencement and during the “policy period”; and
6. Are reported to the Insurer within thirty (30) calendar days following the discovery of such “pollution conditions” by the “insured”.

It is a condition precedent to coverage pursuant to this Endorsement that the “insured” provide conclusive documentation of strict compliance with requirements 1. through 6., above, regardless of whether the Insurer was prejudiced by the failure to meet these requirements.

II. Location-Specific Endorsement Application

Solely to the extent that there is an **X** indicated in this Section **II.**, above, the “insured” and the Insurer hereby agree that the modifications identified in Section **I.** of this Endorsement only apply to “pollution conditions” or “indoor environmental conditions” associated with the “covered locations” specifically identified in the Schedule of Covered Locations, below:

Schedule of Covered Locations

1. Coverage for all water wells.
- 2.
- 3.
- 4.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

Named Insured Colorado Special Districts Property & Liability Pool			Endorsement Number 020
Policy Symbol PPE	Policy Number G24888770 009	Policy Period 01/01/2018 to 01/01/2019	Effective Date of Endorsement 01/01/2018
Issued By (Name of Insurance Company) Illinois Union Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in this endorsement or in the policy Declarations.

Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% for year 2015, 84% beginning on January 2016; 83% beginning on January 1 2017, 82% beginning on January 1, 2018; 81% beginning on January 1, 2019 and 80% beginning on January 1, 2020 of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

Terrorism Risk Insurance Act premium: \$ 6,112_.

Authorized Representative

SERVICE OF SUIT ENDORSEMENT

Named Insured Colorado Special Districts Property & Liability Pool			Endorsement Number 021
Policy Symbol PPE	Policy Number G24888770 009	Policy Period 01/01/2018 to 01/01/2019	Effective Date of Endorsement 01/01/2018
Issued By (Name of Insurance Company) Illinois Union Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Information about service of suits upon the company is given below. Service of process of suits against the company may be made upon the following person, or another person the company may designate:

Mr. Paul Bech, Esq., Assistant General Counsel
Chubb
436 Walnut Street
Philadelphia, PA 19106-3703

The person named above is authorized and directed to accept service of process on the company's behalf in any action, suit or proceeding instituted against the company. If the insured requests, the company will give the insured a written promise that a general appearance will be entered on the company's behalf if a suit is brought.

If the insured requests, the company will submit to the jurisdiction of any court of competent jurisdiction. The company will accept the final decision of that court or any Appellate Court in the event of an appeal. However, nothing in this endorsement constitutes a waiver of the company's right to: remove an action to a United States District Court, seek a transfer of a case to another court, or to enforce policy provisions governing choice of law or venue selection, as may be permitted by the laws of the United States, or of any state in the United States.

The law of some jurisdictions of the United States of America requires that the Superintendent, Commissioner or Director of Insurance (or their successor in office) be designated as the company's agent for service of process. In these jurisdictions, the company designates the Director of Insurance as the company's true and lawful attorney upon whom service of process on the company's behalf may be made. The company also authorizes the Director of Insurance to mail process received on the company's behalf to the company person named above.

If the insured is a resident of Canada, the insured may also serve suit upon the company by serving the government official designated by the law of the insured's province.

NOTHING HEREIN CONTAINED SHALL BE HELD TO VARY, ALTER, WAIVE OR EXTEND ANY OF THE TERMS, CONDITIONS, OR LIMITATIONS OF THE POLICY TO WHICH THIS ENDORSEMENT IS ATTACHED OTHER THAN AS ABOVE STATED.

Authorized Representative

TERRORISM RISK INSURANCE ACT ENDORSEMENT

Named Insured Colorado Special Districts Property & Liability Pool			Endorsement Number 022
Policy Symbol PPE	Policy Number G24888770 009	Policy Period 01/01/2018 to 01/01/2019	Effective Date of Endorsement 01/01/2018
Issued By (Name of Insurance Company) Illinois Union Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Terrorism Premium (Certified Acts of Terrorism): \$ 6,112

In consideration of the additional premium indicated above, which is included in the Premium as listed on the Declarations, the "insured" and the Insurer, hereby agree to the following Policy change(s):

- A. With respect to any "hostile acts" or "terrorism" exclusions contained in this Policy, or attached to this Policy by endorsement, such exclusions do not apply to a "certified act of terrorism", as defined in Paragraph C., below.
- B. With respect to any one or more "certified acts of terrorism", the Insurer will not pay any amounts for which the Insurer is not responsible under the terms of the federal Terrorism Risk Insurance Act ("**TRIA**"), due to the application of any clause which results in a cap on the Insurer's liability for payments for terrorism losses.
- C. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism pursuant to TRIA. The criteria contained TRIA for a "certified act of terrorism" include the following:
 - 1. The act resulted in insured losses in excess of \$5 million attributable to all types of insurance subject to TRIA; and
 - 2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- D. Notwithstanding any coverage that may otherwise be afforded for punitive damages under this Policy, if any, coverage shall not be afforded for damages arising, directly or indirectly, out of a "certified act of terrorism" that are awarded as punitive damages.
- E. The coverage afforded under this endorsement shall expire at the earlier of the following dates:
 - 1. The end of the "policy period", as indicated on the Declarations; or
 - 2. **December 31, 2020.**

- F.** The premium for “certified acts of terrorism” coverage is calculated based in part on the federal participation in payment of terrorism losses as set forth in TRIA. The federal program established by TRIA is scheduled to terminate at the end of December 31, 2020, unless extended by the federal government.
- G.** If this “policy period” extends beyond December 31, 2020, please note that the TRIA premium, above, is premised on the parties’ assumption that TRIA will later be extended through the end of the “policy period”, thereby mandating that Insurer make available coverage for “certified acts of terrorism” for the entire “policy period”. In the event that TRIA is not extended beyond December 31, 2020, or otherwise expires at some point during the “policy “period”, the Insurer will refund the unearned portion of our TRIA premium to the insured on a pro-rata basis. In the event that new TRIA extension or replacement legislation is enacted requiring the Insurer to offer coverage for terrorism that is materially different than the coverage requirements included in the current version of TRIA that expires on December 31, 2020, the Insurer reserves the right to re-price and prospectively modify terrorism coverage to conform with the statutory requirements and risks presented by any such new legislation.

All other terms and conditions of the policy remain unchanged.

Authorized Representative

TRADE OR ECONOMIC SANCTIONS ENDORSEMENT

Named Insured Colorado Special Districts Property & Liability Pool			Endorsement Number 023
Policy Symbol PPE	Policy Number G24888770 009	Policy Period 01/01/2018 to 01/01/2019	Effective Date of Endorsement 01/01/2018
Issued By (Name of Insurance Company) Illinois Union Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance, including, but not limited to, the payment of claims. All other terms and conditions of the policy remain unchanged.

Authorized Representative

COLORADO CHANGES – CIVIL UNION

Named Insured Colorado Special Districts Property & Liability Pool			Endorsement Number 024
Policy Symbol PPE	Policy Number G24888770 009	Policy Period 01/01/2018 to 01/01/2019	Effective Date of Endorsement 01/01/2018
Issued By (Name of Insurance Company) Illinois Union Insurance Company			

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

If the terms "spouse" or "family member" are defined elsewhere in your policy that definition is modified as follows:

A. The term "spouse" is replaced by the following:

Spouse or party to a civil union recognized under Colorado law.

B. The term "family member" is replaced by the following and supersedes any other provisions to the contrary:

"Family member" means a person related to:

1. The individual Named Insured by blood, adoption, marriage or civil union recognized under Colorado law, who is a resident of such Named Insured's household, including a ward or foster child;
2. The individual named in the Schedule by blood, adoption, marriage or civil union recognized under Colorado law, who is a resident of the individual's household, including a ward or foster child, if the Drive Other Car Coverage – Broadened Coverage For Named Individuals endorsement is attached.

Authorized Representative

SIGNATURES

Named Insured Colorado Special Districts Property & Liability Pool			Endorsement Number 025
Policy Symbol PPE	Policy Number G24888770 009	Policy Period 01/01/2018 to 01/01/2019	Effective Date of Endorsement 01/01/2018
Issued By (Name of Insurance Company) Illinois Union Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THE ONLY SIGNATURES APPLICABLE TO THIS POLICY ARE THOSE REPRESENTING THE COMPANY NAMED ON THE FIRST PAGE OF THE DECLARATIONS.

By signing and delivering the policy to you, we state that it is a valid contract.

ILLINOIS UNION INSURANCE COMPANY (A stock company)
525 W. Monroe Street, Suite 400, Chicago, Illinois 60661

WESTCHESTER SURPLUS LINES INSURANCE COMPANY (A stock company)
Royal Centre Two, 11575 Great Oaks Way, Suite 200, Alpharetta, GA 30022


REBECCA L. COLLINS, Secretary


JOHN J. LUPICA, President
Authorized Representative

Chubb. Insured.™

CHUBB®

- Illinois Union Insurance Company
- Westchester Surplus Lines Insurance Company
-

Insured:
Colorado Special Districts Property & Liability Pool

Attached To Policy No.: PPE G24888770 009

Effective Date: 01/01/2018

COLORADO SURPLUS LINES NOTIFICATION

THIS CONTRACT IS DELIVERED AS SURPLUS LINE INSURANCE UNDER THE “NONADMITTED INSURANCE ACT”. THE INSURER ISSUING THIS CONTRACT IS NOT ADMITTED IN COLORADO BUT IS AN APPROVED NONADMITTED INSURER. THERE IS NO PROTECTION UNDER THE PROVISIONS OF THE “COLORADO INSURANCE GUARANTY ASSOCIATION ACT”.

NOTHING HEREIN CONTAINED SHALL BE HELD TO VARY, ALTER, WAIVE OR EXTEND ANY OF THE TERMS, CONDITIONS, OR LIMITATIONS OF THE POLICY TO WHICH THIS NOTICE IS ATTACHED OTHER THAN AS STATED ABOVE.

COLORADO FRAUD STATEMENT

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado division of insurance within the department of regulatory agencies.

CHUBB®

**Chubb Producer Compensation
Practices & Policies**

Chubb believes that policyholders should have access to information about Chubb's practices and policies related to the payment of compensation to brokers and independent agents. You can obtain that information by accessing our website at <http://www.chubbproducercompensation.com> or by calling the following toll-free telephone number: 1-866-512-2862.

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

Policy Form No. PF-44887a (01/17) Premises Pollution Liability Insurance Policy

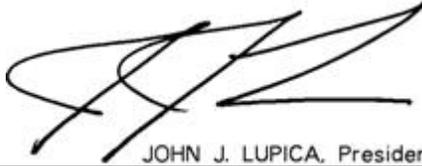
Endorsements and Notices Attached at Policy Issuance:

Endorsement Number:	Form Number:	Form Name:
001	PF-32460 (11/10)	Schedule of Named Insured Endorsement
002	PF-44893 (09/14)	Aggregated Self-Insured Retention Endorsement
003	PF-48608 (01/17)	Business Interruption Coverage Limitations Endorsement
004	PF-44917 (09/14)	Dedicated Defense Aggregate Limit Endorsement
005	PF-48636 (01/17)	Exposure-Specific Self-Insured Retention Endorsement
006	PF-44957 (09/14)	Notice of Cancellation Amendatory (Generic Time Frame) Endorsement
007	PF-44971b (01/17)	Public Entity Coverage Amendatory Endorsement
008	PF-44997 (09/14)	Schedule of Underground Storage Tanks Endorsement
009	PF-44997 (09/14)	Schedule of Underground Storage Tanks Endorsement
010	PF-44997 (09/14)	Schedule of Underground Storage Tanks Endorsement
011	PF-44997 (09/14)	Schedule of Underground Storage Tanks Endorsement
012	PF-44997 (09/14)	Schedule of Underground Storage Tanks Endorsement
013	PF-48662 (01/17)	Specific Pollution Conditions Or Indoor Environmental Conditions Exclusionary Endorsement
014	MS-208292_2 (07/17)	Automatic Acquisition and Due Diligence Endorsement
015	MS-211189_3	Catastrophe Management Amendatory Endorsement
016	MS-211189_1 (12/17)	Indoor Environmental Conditions (Fungi – Water Intrusion Event Exception) Limitations Endorsement
017	MS-211189_4	Maintenance and Upgrades Endorsement
018	MS-206796_57 (05/17)	Schedule of Covered Locations Schedule Endorsement
019	MS-211189_2 (12/17)	Sudden and Accidental Covg Limitation (PPI) Endorsement
020	TRIA11c (01/15)	Disclosure Pursuant To Terrorism Risk Insurance Act
021	SL-34255a (01/16)	Service of Suit Endorsement
022	PF-23728a (01/15)	Terrorism Risk Insurance Act Endorsement
023	ALL-21101 (11/06)	Trade Or Economic Sanctions Endorsement
024	ALL-39828 (07/13)	Colorado Changes – Civil Union
025	LD-5S23j (03/14)	Signatures
	SL-17889 (03/12)	Colorado Surplus Lines Notification

Endorsement Number:	Form Number:	Form Name:
	ALL-22368 (06/07)	Colorado Fraud Statement
	TRIA24 (01/15)	Policyholder Disclosure Notice of Terrorism Insurance Coverage
	ALL-20887a (03/16)	Chubb Producer Compensation Practices & Policies
	ILP 001 01 04	U. S. Treasury Department's Office of Foreign Assets Control ("OFAC") Advisory Notice to Policyholders

IN WITNESS WHEREOF, the Insurer has caused this Policy to be countersigned by a duly authorized representative of the Insurer.

DATE: 01/01/2018
MO/DAY/YR



JOHN J. LUPICA, President
AUTHORIZED REPRESENTATIVE